

Boston Redevelopment Authority

Central Business District Project

RELOCATION PROGRAM

## RELOCATION PROGRAM

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## I. RELOCATION POLICY

Under the proposed early land acquisition program as part of the Central Business District Urban Renewal Project, certain areas will be acquired by the Boston Redevelopment Authority. These areas are shown on the map entitled "Parcel Acquisition Map" prepared by the Authority.

One of the key objectives of the Central Business District Project is to increase business activity in the area and to provide an environment conducive to the growth and expansion of the existing business concerns. Successful relocation of businesses within the project area during the first phase -- early land acquisition -- is considered a vital step in insuring a healthier and more active Central Business District.

In accordance with Federal and State Law, the Authority will provide financial assistance to businesses being relocated on account of action taken by the Authority. To assist business firms, persons trained in relocation work will be employed by the Authority and will be located in a site office. The services to be rendered are explained in Section II.

In addition to the relocation activities undertaken by this office, the Authority will maintain an information program in cooperation with the Committee for the Central Business District, Inc., in the office of the CCBD at 38 Chauncy Street. Meetings will be held there with groups and individuals to keep them up to date on the timing and procedures of the over-all redevelopment program.



## II. RELOCATION SERVICES

All occupants of property to be acquired under the Early Acquisition Program will be contacted by a representative of the Boston Redevelopment Authority and notified of the date of acquisition by the Authority. Details of the relocation program will be explained, and assistance will be offered on individual relocation problems.

The following activities will be undertaken by the Authority:

### A. Property Management

Businesses occupying property that is acquired will become tenants of the Authority and will be required to pay a charge for use and occupancy on a month-to-month basis for the temporary period until their relocation. Tenants who fail or refuse to pay the charge for use and occupancy will be evicted and denied relocation assistance.

Management and maintenance services will be provided by the Authority during the period of its ownership.

### B. Help in Finding a Suitable New Location

With the aid and cooperation of private owners, agents, real estate brokers, the Greater Boston Real Estate Board, and the Bureau of Commercial and Industrial Development of the Massachusetts Department of Commerce and Development, the project office will maintain a list of vacant properties which are suitable for various types of business operations.

Businesses interested in this service are welcome to review the listings.

### C. Advisory Services and Small Business Loans

Advisory representatives of both the Massachusetts Department of Commerce and Development and the Small Business Administration will counsel and assist the Authority on special relocation problems of businesses to be moved from the project area.

The Housing Act permits the Small Business Administration to make certain long-term, low-interest loans to businesses affected by the urban renewal program. These loans may be used for getting re-established in a new or existing facility, and may include funds for working capital, the purchase of new furnishings and equipment, improvement of an existing facility, or the construction of entirely new facilities. The Boston Redevelopment Authority will refer interested firms to the local SBA office for this assistance.

### D. Reimbursement of Moving Expenses

Business concerns are eligible for reimbursement of certain expenses incurred in moving from acquired property to their new location, subject to



the rules and regulations of the Urban Renewal Administration and the procedures established by the Boston Redevelopment Authority.

The Boston Redevelopment Authority is responsible for determining the eligibility of all claims and will require such documentation as is necessary to substantiate the reasonableness, accuracy, and validity of each claim.

Procedures for obtaining relocation payments are outlined in Section III of this report.



### III. RELOCATION PAYMENTS

Under the terms of the Housing Act of 1949, as amended, business establishments which must move as the result of the execution of the urban renewal program may be eligible for relocation payments to cover:

- A. Moving Expenses
- B. Property Losses
- C. Small Business Displacement

These payments are subject to the conditions set forth by the Urban Renewal Administration. The following guide outlines some of the more important regulations regarding eligibility and procedure and should be fully understood prior to the making of relocation plans.

Not all relocation expenses are compensable; if maximum benefit from the relocation program is to be received, the entire relocation plan should be discussed with a representative of the Authority before plans are final.

#### A. Moving Expenses

Eligible moving expenses are reimbursable in full for a distance of up to 100 miles from the city boundary.

#### Instructions for All Site Occupants Intending to File a Claim for Moving Expenses

Before moving from their location within the project all businesses must:

1. Submit a written notice to the Site Office of their intent to move, at least thirty (30) days and not more than ninety (90) days, prior to the move.
2. Submit a complete up-to-date inventory of all machinery, equipment, stock, and other personal property which is to be moved. Stock and bulk supplies may be estimated by gross weight, truck loads, cubic feet, or lineal feet.
3. Prepare simple specifications of the work to be done upon which moving contractors and other mechanics and craftsmen will be able to make competitive bids. These specifications need not be very technical but should describe clearly all work to be performed, including machinery to be dismantled and reinstalled, as well as electrical, refrigeration, or other mechanical work that is to be done.
4. Obtain from at least three (3) reputable contractors, competitive bids for all work that is to be performed and for which the business expects to file a claim. These may include separate bids for cartage, electrical, plumbing, or other specialties which will be involved in the move. Informal estimates are not acceptable.

The relocation payment will not exceed the amount of the lowest of the three bids submitted; however, the lowest bidder need not be the contractor selected.



### Self Moves

If a business decides to either move itself or assist the commercial mover in packing, etc., it will then be necessary to submit:

1. Competitive estimates (as outlined above).
2. A copy of the payroll record, certified to be true and accurate by the claimant, indicating the names of the individuals participating in the move, their social security numbers, the dates they worked, the number of hours they worked, the hourly rate of compensation, the amounts paid to them, and the gross amounts they earned.
3. If a vehicle was rented, a receipt from the firm from which it was rented, showing the amount paid for rental.

It should be understood that self-moves are reimbursable for "out of pocket" expense only, and no payment can be made for charges such as overhead and profit or rental of company-owned vehicles.

### Instruction on Filing a Relocation Claim

After the move to the new location has been completed, claimants are required to file, in person, Form H-6146 (Claim for Relocation Payment). In support of this claim all invoices relative to the move must be submitted along with any other additional data that might be required to justify reimbursement.

Invoices that do not have a clear description of work performed, and do not show labor or material charges, will be returned to the claimant for further clarification and will delay the processing and approval of the entire relocation claim. It is advisable that movers and contractors be informed of these requirements before their invoices are prepared.

All claims for relocation expenses must be filed within six (6) months from date of move.

### Typical Moving Costs

The following are lists of typical moving costs which may or may not be reimbursable as indicated:

#### 1. Typical Reimbursable Costs:

- a) Relettering that portion of a movable sign to change the old address and phone number to the new address and phone number;
- b) Disconnection and reinstallation of shelving bins or other trade fixtures that are considered personal property;
- c) Installation of cement or similar pads used as a base in re-assembling of walk-in cooler and freezer chests or other type of equipment or machinery;



- d) Millwright or similar labor necessary to the proper dismantling, reassembling and adjusting of equipment and machinery;
- e) Installation of electrical wiring connecting the equipment or machinery to the necessary outlets providing such lines are not concealed within the floor, walls, or ceiling.

2. Typical Costs that are not Reimbursable:

- a) Lettering of signs on plate glass windows or on any portion of the structure at the new address or relettering signs on company vehicles;
- b) Disconnecting and reinstalling telephone equipment, burglar alarms or similar service equipment not owned by the claimant;
- c) Strengthening or bracing of the building at the new location to increase the structural load capacity or improvements to the real property in any manner;
- d) Installation of equipment, machinery or other items not moved from the project location;
- e) Repair or refurbishing items moved or the purchase of new or used equipment, machinery, motors, converters or alternators.

B. Property Loss

When a business will cease operations or dispose of part or all of its personal property, a claim for Property Loss may be submitted. However, the amount of payment for property loss plus the amount for moving expenses may not exceed \$3,000.

In order to establish a property loss claim, the site occupant must dispose of the items concerned through a bona fide sale. If the amount realized from the sale after deducting any ordinary and reasonable expenses of the transaction is less than the appraised fair market value for continued use, the difference between the net amount realized and the fair market value represents the amount of the direct loss of property. The maximum relocation payment for a property loss claim is \$3,000.

The following instructions for property loss claims must be complied with:

1. The Authority must be notified in writing at least 30 days in advance of the proposed sale. Detailed instructions and necessary forms will then be supplied, including Property Loss forms on which each item of personal property to be sold must be listed.
2. A signed waiver from the former landlord must also be secured conclusively proving that fixtures and other items of a disputable nature to be sold were at no time considered part of the real property.



3. Every effort to sell all the items listed must be made, using all appropriate means, such as newspaper advertisements, interested dealers, and as a last resort, salvage companies.
4. A narrative statement, in writing, must be submitted describing the efforts to sell the items listed, identifying each interested buyer and the amount offered.
5. If all efforts to sell fixtures and equipment are unsuccessful, permission may be granted to arrange for a "public sale".
6. Any sales, private or public, must be substantiated by a "bill of sale," or similar document in addition to copies of advertisements, auction records, and all other evidence verifying the "bona fide" nature of the sale.

After disposing of the personal property concerned and complying with the instructions listed above, claimants are required to file, in person, Form H-6146 (Claim for Relocation Payment). In support of this claim, all bills of sale and expenses of selling must be submitted along with any other additional data that might be required to justify reimbursement.

All Property Loss claims must be filed within six (6) months from the date of move from the Project Area.

#### C. Small Business Displacement Payment

The Housing Act of 1964 permits a Small Business Displacement Payment to be made to certain business concerns which move because of urban renewal activities. The payment is in addition to reimbursement for moving expenses and any actual direct loss of property.

A Small Business Displacement Payment may be made to a business concern if the following eligibility requirements are met:

1. The concern is not part of an enterprise having establishments outside the urban renewal area;
2. The concern filed an income tax return with the Internal Revenue Service for the two years preceding displacement, or, if not in business that long, for one year preceding displacement;
3. Average annual gross receipts or sales exceed \$1,500;
4. Average annual net income, before taxes and plus certain salaries, wages, and other compensation, is less than \$10,000;
5. The claim for payment is submitted within six months of the concern's move from the urban renewal area.



Schedule C of Form H-6146, Claim for Relocation Payment, indicates the extent and type of information required as a basis for determining eligibility for a Small Business Displacement Payment. Schedule C calls for the same information reported on income tax returns filed with the District Director of Internal Revenue.

As in the case of a Relocation Payment for moving expenses and any actual direct loss of property, a Small Business Displacement Payment is not made until the business has moved from the premises occupied in the Project Area. However, in certain cases the payment may be made before the vacated property has been acquired by the Authority.

In order to qualify for the Small Business Displacement Payment, all other provisions noted here for claim of moving expenses and loss-of-property payments must be fulfilled.

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The foregoing guide consists of all of the relevant information concerning business relocation programs and procedures that are contained in the Application for Early Land Acquisition Loan submitted to the Federal government.

The guide was presented to acquaint you with the basic regulations regarding relocation payments, but we urge you to contact the Authority as soon as possible for help in reviewing what relocation costs are eligible to be reimbursed and in expediting payment to you.

The Federal regulations on relocation payments are found in Part 3 of Subtitle A of Title 24 of the Code of Federal Regulations (FEDERAL REGISTER, Vol. 30 - No. 8, January 13, 1965, pp. 439-443).



